

STATE OF MAINE
PUBLIC UTILITIES COMMISSION

Docket No. 2000-760

October 31, 2000

FOX ISLAND ELECTRIC COOPERTIVE, INC.
KENNEBUNK LIGHT & POWER COMPANY
Request for Authorization to Provide Default Service
for the Period Beginning March 1, 2001 and allow the
Existing Requirements Contract to be the Default
Service in their Respective Territories Until May 31, 2002

ORDER

WELCH, Chairman; NUGENT and DIAMOND, Commissioners

I. SUMMARY

Through this Order, we grant the request of Fox Island Electric Cooperative (FIEC) and Kennebunk Light & Power District (KLPD) that they continue to be the default providers in their respective service territories using their existing requirement supply contracts until their termination on May 31, 2002.

II. BACKGROUND

On December 7, 1999, the Commission, pursuant to 35-A M.R.S.A. § 3212(2), directed FIEC and KLPD to provide default service in their respective territories. The utilities had conducted a bid process consistent with our rules to select a standard offer provider for their territories. On October 21, 1999, the utilities informed the Commission that they had received no bids and requested that they be directed to provide default service through their pre-existing all requirements supply contracts. The Commission granted the request for the period March, 2000 through February 2001. The Commission stated that the utilities may petition to be relieved from conducting a bid process for the period beginning March 1, 2001 if the then existing market conditions indicate that such a process would not yield more attractive proposals than the current wholesale contracts.

On September 8, 2000, FIEC and KLPD petitioned the Commission to be relieved of conducting a standard offer bid process and to be allowed to continue to use the existing requirements contracts for default service. FIEC estimates the energy rate to its consumers will be approximately \$0.0405 per kWh and KLPD estimates the energy rate will be \$0.0347 per kWh.¹ The utilities stated that current market conditions in New England indicate that a standard offer bid process within the next several months would be unlikely to yield a more attractive rate.

¹ The actual rates will be adjusted somewhat each month because of a demand component in the contracts.

The Public Advocate indicated no opposition to the utilities' request.

III. DECISION

We agree with FIEC and KLPD that a bid process in the near future would not yield a better price than the existing requirements contracts. Thus, we conclude that the expense of a bid process is not warranted and that the utilities' customers are best served through the existing requirements contracts. FIEC and KLPD are, therefore, directed to continue to provide default service through the existing requirements contracts until their termination on May 31, 2002.

Dated at Augusta, Maine, this 31st day of October, 2000.

BY ORDER OF THE COMMISSION

Dennis L. Keschl
Administrative Director

COMMISSIONERS VOTING FOR: Welch
 Nugent
 Diamond

NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:

1. Reconsideration of the Commission's Order may be requested under Section 1004 of the Commission's Rules of Practice and Procedure (65-407 C.M.R.110) within 20 days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought.
2. Appeal of a final decision of the Commission may be taken to the Law Court by filing, within 30 days of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. § 1320(1)-(4) and the Maine Rules of Civil Procedure, Rule 73, et seq.
3. Additional court review of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320(5).

Note: The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.